

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 101 – SB 1329

March 21, 2012

SUMMARY OF AMENDMENT (015318): Deletes all language after the enacting clause. Defines “family recreation center” and adds this type of center to the list of facilities or places which an adult-oriented establishment must not be located within one thousand feet. The amendment adds “adult cabaret” to the same location restrictions as an adult-oriented establishment.

FISCAL IMPACT OF ORIGINAL BILL:

Increase Local Revenue - \$34,600/FY11-12
\$72,700/FY12-13 and Subsequent Years

Increase Local Expenditures - \$109,700*

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase Local Expenditures – Not Significant

Other Fiscal Impact – To the extent any business establishment closes operations due to enactment of this bill as amended, the recurring decrease in state revenue is reasonably estimated to exceed \$5,000 and the recurring decrease in local revenue is reasonably estimated to exceed \$1,000. Otherwise, any revenue impacts to state and local government is considered not significant.

Assumptions applied to amendment:

- It is assumed any adult-oriented establishment or adult cabaret currently located within one thousand feet of a family recreation center will not be exempted from this bill as amended.
- It is assumed any costs associated with a local government enforcing the provisions of this bill as amended can be absorbed within existing resources for zoning enforcement.
- It is assumed any costs associated with the relocation of a business found in violation of the location restrictions in the provision of this bill as amended will be incurred by private business owners and not a state or local government entity.

- In the event an adult-oriented establishment or adult cabaret closes as a result of this bill as amended, the result would be decreases in state and local revenue from reduced sales taxes and licensure fees.
- To the extent this bill as amended causes at least one business establishment to close operations, the recurring decreases in state and local revenue are reasonably estimated to exceed \$5,000 and \$1,000 respectively.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jrh